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**CITY COUNCIL APPROVES REBATE PROGRAM FOR WORKING- AND MIDDLE-CLASS FAMILIES
AND SENIORS TO HELP OFFSET NECESSARY PROPERTY TAX INCREASE**

*Mayor Emanuel and City Council Acted To Implement a City-Funded Rebate Program Comprised of
Ideas from Several Aldermanic Rebate Proposals*

City Council today approved a City-funded rebate program for working- and middle-class families and seniors to help offset the necessary property tax increase to fund Police and Fire pensions. The City rebate program includes a base rebate for certain homeowners, a senior supplement for certain seniors, and the authority to establish criteria for an enhanced grant for homeowners under extraordinary hardship.

“The increase Chicago taxpayers are experiencing remains a necessary contribution to stabilize Police and Fire pensions, but with this rebate we are taking an important step to lighten the load for working- and middle-class families and to keep our neighborhoods strong,” said Mayor Rahm Emanuel. “I want to thank members of the City Council, particularly Aldermen Moreno, Rosa and Smith, for begin strong partners in the development of this rebate. By working collaborative we were able to develop and pass a rebate that offers hardworking homeowners some property tax relief.”

The program will provide Chicago homeowners with a household adjusted gross income of \$75,000 or less with a rebate to help offset the increase in their property taxes. The rebate is a fixed amount between \$25 and \$200, determined using the increase in the homeowner's City property taxes and the homeowner's income. The average rebate is \$150, and the City estimates approximately 155,000 Chicago households are eligible. The program also includes a senior supplement which provides additional relief to certain seniors experiencing increased property taxes due to increases in their home values.

The estimated program cost is \$21 million, and after discussion with aldermen, the City plans to utilize the one year increase in real property transfer tax revenue due to the transfer of ownership interest in the Skyway to fund for the rebate program.

“This City-funded property tax rebate program is an important step for homeowners who are starting to receive their property tax bills and are searching for some relief,” said Alderman Joe Moreno, Ward 1.

The City adopted a four year property tax increase in the fall of 2015 to meet its commitment to fully fund first responder pensions. As part of the property tax increase for Police and Fire pensions, the City proposed a doubling of the homeowner exemption to minimize the additional taxes paid by the average homeowner. Mayor Emanuel has been working with leadership in the State General Assembly to pass such legislation, but Springfield did not pass an increased homeowner's exemption this year. Therefore, the City passed this property tax rebate so that families and seniors will receive some property tax relief.

"I applaud Mayor Emanuel and his Administration for working collaboratively with aldermen to craft a property tax relief program that ensures the poorest homeowners and seniors who see the largest property tax increase will receive the relief they deserve," said Alderman Carlos Ramirez-Rosa, Ward 35. "While the current program does not include renters, I will continue to work with the Mayor's office and my colleagues to develop a proposal that will benefit renters."

"I heard from many constituents living on fixed incomes regarding property tax relief. My view has always been if property tax relief is offered to Chicago homeowners it must include these long-term homeowners who built up our neighborhoods. We have achieved that," said Alderman Michele Smith, Ward 43.

The City will utilize a third party agency or agencies with community-based services and citywide reach to administer the rebate program. The City plans to release a Request for Proposals (RFP) in the coming month, and anticipates rebate checks will be provided to homeowners before the end of 2016.

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